UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/51/560
25 October 1996

ORIGINAL: ENGLISH

Fifty-first session
Agenda item 21 (b)

STRENGTHENING OF THE COORDINATION OF HUMANITARIAN AND DISASTER RELIEF ASSISTANCE OF THE UNITED NATIONS, INCLUDING SPECIAL ECONOMIC ASSISTANCE: SPECIAL ECONOMIC ASSISTANCE TO INDIVIDUAL COUNTRIES OR REGIONS

Emergency assistance to Mozambique

Report of the Secretary-General

ASSISTANCE TO MOZAMBIQUE

INTRODUCTION

1. Peace has radically improved Mozambique's prospects for economic recovery and development. In 1993, just one year after the General Peace Agreement, economic activity rebounded strongly with GDP recording an impressive growth of 19.3 per cent as a result of the vigorous recovery experienced by agricultural production, transport and trade services. In 1994 GDP grew at an estimated rate of 5 per cent.

2. Humanitarian aid is still being delivered, however, although in a much reduced form. The emphasis has meanwhile clearly shifted from emergency aid to the areas mainly for returning refugees and other vulnerable groups, for rehabilitation, reconstruction and reintegration and development.

3. With a GDP per capita of about US$ 90, a life expectancy at birth of 45.5 years, an adult literacy rate of 36.9 per cent and widespread absolute poverty, Mozambique is a least developed country (LDC), ranking 167 out of 174 countries in terms of the Human Development Index compiled by the United Nations Development Programme (UNDP) in its 1996 Human Development Report. The under-five mortality rate is 282 per thousand live births, but fertility is high (6.4), so that it is unlikely that the rate of population growth will fall below 2.5 to 3 per cent a year in the near future. The country sorely lacks skilled

human resources and entrepreneurial capacity. Mozambique is also a severely indebted low income country (SILIC): in 1994, external debt reached the unsustainable level of US$ 5.4 billion or 3.7 times GDP and debt service before debt relief represented 117 per cent of exports of goods and services.

4. These difficulties are exacerbated by a situation of deep-rooted structural problems that can only be overcome in the long run. In particular, there is an acute shortage of technological and management skills in all sectors and at all levels, which constrains the ability to apply knowledge and innovate. The thin human resource base may well represent the major bottleneck to sustained growth, development and capacity-building. Tied to this factor, the modern domestic private sector is still embryonic and indigenous entrepreneurial capacity is scarce, lacking capital and managerial expertise and experience.

UPDATE ON EMERGENCY AND HUMANITARIAN ASSISTANCE

5. Coordination of emergency and humanitarian assistance. Since 1987 the United Nations has played a prominent role in the coordination of donor assistance to the Government's Emergency Programme, first with the appointment of a United Nations Special Coordinator for Emergency Relief Operations (UNSCERO) in the person of the UNDP resident representative.

6. Following the General Peace Agreement and the establishment of the United Nations Operation in Mozambique (ONUMOZ) by the Security Council, the responsibility for coordinating humanitarian assistance was entrusted in January 1993 to the newly created United Nations Office for Humanitarian Assistance Coordination (UNOHAC), and the UNSCERO office was subsequently abolished. UNDP contributed to UNOHAC's activities through secondment of Professional staff and in particular through the management of multi-donor funded demobilization and reintegration support schemes. With the dismantling of ONUMOZ and UNOHAC in the end of 1994 UNDP reassumed the responsibility for coordinating humanitarian assistance activities, including support to reintegration and demining.

7. War and drought, the principal factors of the emergency situation, were overcome by early 1993 and the Government officially declared the end of the emergency situation in the country. Nonetheless, humanitarian assistance continued due to the need to help returning refugees, internally displaced persons and demobilized soldiers and their dependents. In addition, given the natural cycles of drought and floods in the region, weaknesses of rural and urban infrastructure, shortage of food stocks and seeds, generalized poverty, and vulnerability of the majority of the economic agents, the country will inevitably continue to face future emergency situations, at the local level or nationwide, arising from natural calamities.

8. In 1994, Mozambique received $131.8 million in food aid and $13.6 million for other emergency non-food aid. Although emergency food aid continued high at $135 million in 1995, other emergency non-food assistance saw a sharp drop for the same period to $10 million. The largest part of the emergency food aid, $100.2 million was channelled through the World Food Programme (WFP), followed by bilateral cooperation programmes and individual country programmes, such as

USAID, and those of Canada, Australia and the Netherlands, in that order. Emergency food aid pledges for 1996 thus far are just over $40 million.

9. To move along the relief-to-development continuum, Governments and donors have recognized the need for making the transition from a war and emergency footing to peacetime reconstruction and development planning. Government efforts, therefore, are focusing more on the management of rehabilitation and reintegration as well as on a medium-term development strategy centred on sustainable human development. The Ministry of Planning and Finance has assumed a leading role in this process.

ASSISTANCE FOR RECONSTRUCTION AND DEVELOPMENT: POLITICAL AND ECONOMIC CONTEXT

Political developments

10. Today, Mozambique is a multi-party democracy. In December 1994, some two years after the signing in Rome in October 1992 of the General Peace Agreement, the first democratically elected President and Members of Parliament took office, and a new government, constituted by the winning party, Frelimo, was designated by the President of the Republic.

Microeconomic trends

11. Starting in 1995, political and economic transition in Mozambique has shown promising signs of a return to stability and normality: peace, national reconciliation and the vitality of the young democracy have taken root; parliamentary performance improved noticeably; one has witnessed an open, free and lively interface between government, legislature and media; overall the social climate remained calm; resettlement of internally displaced people and returning refugees was consolidated; reintegration of demobilized soldiers has been relatively free of major disruption; the mine-clearance programme proceeded at a reasonable pace; reconstruction and economic reform made further progress; the re-emerging domestic private sector has become increasingly dynamic.

Economic and social situation

12. In order to reverse the process of economic decline experienced during the 1980s, the Government introduced in 1987 a comprehensive stabilization and structural adjustment programme agreed with the World Bank and the International Monetary Fund (IMF), and supported by the donor community. The primary aims of this ongoing programme are to restore macroeconomic and external balances and to move the economic system towards a market-based economy.

13. The adoption of stabilization and adjustment policies coupled with the associated inflow of aid brought about a significant improvement of Mozambique's economic performance, with reduction of financial imbalances and a positive change in relative prices laying down the foundations of a market economy. Nevertheless, it will take time before the beneficial effects expected from adjustment via increases in production and employment ameliorate the generalized poverty situation in the country. In fact, from 1987 to 1989 real GDP growth

averaged 9.8 per cent annually, but in 1990-1992 economic performance deteriorated again, due largely to the continuing war, compounded by the most severe drought in decades: GDP rose only by 1.7 per cent annually during this period.

14. In post-war Mozambique, the peace dividends are yet to materialize in any tangible way. After the strong, but exceptional, recovery experienced in 1993, in which GDP bounced by an impressive 19.2 per cent, GDP growth slowed considerably to 5 per cent in 1994 and an estimated 3 per cent in 1995. In 1996 growth is projected at 4 per cent. Given that Mozambique takes off from an extremely low economic base and after factoring in population increases, the prevalence of the recent trend of lacklustre growth performance would translate into GDP per capita increases too modest to make a visible contribution to, and to sustain, the goals of poverty reduction, social sector development, reconstruction and restoration of external viability.

RECENT DEVELOPMENTS IN MOZAMBIQUE

Macroeconomic trends

15. Mozambique's macroeconomic performance in 1995 was modest. Final estimates indicate that real GDP growth was a mere 1.5 per cent (down from 5 per cent in 1994), owing largely to a sharp contraction of government services (down 38 per cent relative to 1994). Such low growth meant virtually no growth in GDP per capita, which stagnated at the extremely meagre level of about US$ 90 per person. Despite dropping from a rate of 70 per cent in 1994 to 55 per cent in 1995, inflation measured by the CPI for Maputo remained high, far exceeding the original and revised targets for the year agreed with IMF under the structural adjustment programme (respectively, 24 per cent and 34 per cent).

16. In spite of the sizeable cuts in current and investment expenditures to keep the budget indicators within agreed targets and in line with shortfalls in foreign aid and tax revenues, the Government managed to boost allocations to education and health as part of the policy to shift resources from defence spending to inter alia, the social sectors. Current expenditure in education increased by 20.8 per cent in real terms from 1994 to 1995 and its share in total recurrent spending grew from 9.6 per cent in 1994 to 15.8 per cent in 1995. Donor contributions to the sector amounted to US$ 47 million, of which US$ 30.6 million were grants and the remaining US$ 16.3 million were in the form of loans for investment. Similarly for the health sector, in which current expenditure rose by 14.5 per cent in real terms and its share in total current spending increased from 4.8 per cent in 1994 to 7.5 per cent in 1995. Here donor contributions totalled US$ 81.1 million ($72.2 million as grants and $8.9 million for investment).

17. The external sector accounts displayed positive behaviour in 1995. Exports of shellfish, cashew nuts and other commodities increased by 13 per cent (to US$ 169 million) and imports fell by 23 per cent (to US$ 784 million). As a result, the current account deficit before grants improved significantly, shrinking by 21 per cent to about $684 million.

18. However, the debt situation did not improve. Mozambique is confronted with a huge and unsustainable debt overhang, which amounted to US$ 5.5 billion at the end of 1995 or nearly 4 times GDP. On average, since 1992 debt service (before debt relief) has represented 125 per cent of exports in goods and services. Clearly, to achieve a sustainable debt position and regain external viability, Mozambique will require exceptional debt relief and forgiveness. As a result, Mozambique will be one of the first countries with unsustainable debt to be considered for support under the World Bank/IMF Debt Initiative for Highly Indebted Poor Countries, the HIPC.

19. The outlook for 1996 is equally modest. Projected GDP growth for the year is 4 per cent. According to preliminary information for the first semester, monetary and fiscal indicators are by and large in compliance with the targets of the stabilization programme for the year or have even been surpassed.

STRUCTURAL REFORMS

20. Manifold and wide-ranging structural reforms are under way. Progress, however, has been constrained by the Government's weak and overstretched management and implementation capacity. Recent developments concerning the most salient reform measures are highlighted below.

21. Agriculture policy. Apart from the phased elimination of minimum producer prices for food and cash crops and of the export tax on raw cashew nuts, agriculture policy prioritizes the revitalization of the smallholder (family) farm sector, the provision of seeds and tools, restoration of rural marketing networks, rehabilitation of feeder roads, and reform of land tenure arrangements. An integrated sectoral programme for the development of agriculture is under preparation and should be completed by end-1996. A new draft Land Law is currently under thorough review in consultation with Mozambican society. The new law, to be enacted in 1997, is expected to recognize and ensure security of customary (traditional) rights of tenure, permit trade in land titles, and protect ecosystems through land-use planning. Donors provided $70.5 million grants and US$ 13.3 million as loans for a total contribution of $83.8 million.

22. Human development and poverty alleviation. Key elements of the Government strategy are to raise budgetary allocations to the social sectors (see above) - notably to basic education and primary health care - and to formulate and implement integrated sector programmes for education and health. An education sector programme is being prepared with implementation due to start in 1997. In 1995 the Government adopted a health sector programme, based on a previously developed National Health Strategy. The Poverty Alleviation Unit in the Directorate of Planning, whose aim is to ensure that poverty issues and policies are consistently prioritized and taken into account by the development planning process, formulated in 1995 a Poverty Alleviation Strategy. It is at present developing rural and urban poverty profiles, and will conduct a national poverty assessment and complete a Poverty Action Plan by mid-1997.

23. Environmental policy. The Government began implementing the National Environmental Management Programme (NEMP), approved in 1995. Under development

or in the planning stage are specific programmes for managing natural resources (e.g., wildlife, fisheries and forests), a water resource management strategy (including sanitation), and environmental impact assessment legislation. Grant aid to the sector, a relatively new one for targeted assistance, was $1.4 million in 1995.

24. Tax system and customs reform. With a view to increasing budget revenues and curbing corruption, the Government is in the process of restructuring tax and customs administrations, streamlining the tax structure and rates and preparing the introduction of a value-added tax, planned for 1998. In the context of the decentralization programme, the Government is also finalizing draft legislation on local finances aimed at the future municipalities. The customs tariff structure has been recently revised and simplified, as part of a consultative process involving the private sectors and came into effect at the end of June 1996. A new pre-shipment inspection (PSI) contract was signed in 1995 on private management of customs for a period of three years.

25. Banking sector reform. Ongoing restructuring of the banking system is dominated by the privatization of the two State-owned banks: the Banco Comercial de Moçambique, BCM (Commercial Bank of Mozambique), which took place in July 1996; and of the Banco Popular de Moçambique, BPD (People's Development Bank), which is scheduled for end-1996.

26. Private sector development. In order to create an enabling environment for private sector development and to reduce excessive red tape, the Government's strategy centres on the simplification of licensing and investment procedures as well on the removal of legal and bureaucratic impediments to business. In this context a Second Private Sector Seminar was held in mid-June 1996 to review progress since the first conference in 1995.

27. Public enterprise sector restructuring. The privatization of State-owned enterprises has proceeded at a satisfactory pace, although it has also led to a marked increase in unemployment, particularly in the manufacturing sector. By the end of 1995 the majority of State farms had been privatized or closed down, 45 new private enterprises had been established as a result of privatizing large State-owned firms and 502 small- and medium-sized firms had also been fully privatized or placed under private management.

28. Transport sector. Important deregulation and restructuring and/or privatization plans are being considered, especially with regard to the national airline company (LAM), the ports and railroads company (CFM) and the petroleum distribution company (PETROMOC). The physical and operational rehabilitation of the transport corridors to the hinterland countries has been in progress for some years. These transport links are key to the economic growth and integration of Mozambique and the Southern Africa region. In this respect, a major initiative, the envisaged Maputo Development Corridor, was the subject of a large and broadly representative international investors' conference, held in Maputo in early May 1996 and opened by Presidents Chissano and Mandela.

29. Energy sector. Two ongoing large projects will contribute to substantially increase Mozambique's exports from 1997 onwards: among these the reconstruction

of the power lines from the Cahora Bassa Dam to South Africa and the development of the Pande gas field.

PUBLIC ADMINISTRATION REFORM, DECENTRALIZATION AND GOVERNANCE

30. The Government launched an extensive and ambitious public administration reform and decentralization process aimed at improving governance, increasing public sector efficiency, devolving powers to local government, and generally strengthening democratic participation in public sector management. Key components of administrative modernization and local government reform programmes are: the reorganization of civil service personnel administration and the delegation of authority for human resources management to the provincial governments; the revision of civil service pay, career and incentive structures to enable the Government to recruit and retain qualified staff; the design and implementation of an integrated public administration training system; the rationalization and streamlining of administrative systems, rules and procedures; the creation of urban and rural municipalities endowed with political, administrative and financial autonomy; the holding of democratic elections for the new municipal bodies; the reorganization of central and provincial governments; and the enforcement of rules and measures to combat corruption in the public sector, which comprise a Code of Ethics for Public Officials (including conflict-of-interest provisions) and the establishment of a Higher Authority Against Corruption. Two other elements feature prominently in the efforts to improve governance: strengthening of the judicial system and reform of the civil police.

31. However, in spite of donor support and encouragement, progress has been slow in most of these areas for two main reasons: lack of human and financial capacity to manage such complex reforms; and political sensitivity, which call for broad consultations and negotiations involving Parliament and civil society, thereby further contributing to the complexity of the reform process.

EXTERNAL AID

32. Mozambique's extreme dependence on foreign aid makes coordination among donors critical. Mozambique has selected the Consultative Group Meeting (CG) arrangement, led by the World Bank, as the major overall coordinating mechanism to enhance policy dialogue between the Government and the donor community. The CG meetings allow donors and the Government to make joint reviews of the Government's development policies and strategies, with special emphasis on economic reform. These meetings devote particular attention to the assessment of the overall financial support required by Mozambique to implement and sustain its structural adjustment, reconstruction and development strategies, thereby helping to identify the targets of external resource flows. In this context, progress has been made in untying aid.

33. Foreign aid to Mozambique in 1994 corresponded to about 72 per cent of GDP, a high US$ 63 of aid per capita (that is, more than twice the average for sub-Saharan Africa) and 2.7 times the value of exports of goods and services. External aid in the form of grants and concessional loans financed 65 per cent

of total government expenditure and 78 per cent of public investment. Free-standing and investment-related technical cooperation amounted to 26 per cent of total official development assistance (ODA).

34. External financing requirements dropped over recent years and on the whole they have been met by donor pledges made at the CG meetings. A total of US$ 1,043 million, excluding debt relief, was pledged for 1994 at the 1993 CG. In fact, Mozambique received only US$ 825 million in the form of grants and credits to finance investment projects and services (46 per cent of total), import support (20 per cent), food aid (8 per cent), non-food emergency (3 per cent) and special programmes associated with the implementation of the General Peace Agreement (23 per cent). These special programmes were targeted at demobilization and reintegration of soldiers, resettlement of returning refugees and internally displaced persons, mine clearance and multiparty elections. There was no CG meeting in 1994. In 1995, the full amount of external financing, again excluding debt relief, committed at the CG for the year was US$ 780 million in grants and loans, but actual disbursements were only US$ 574 million, broken down as follows: investment and services (54 per cent), import support (31 per cent), food aid (12 per cent), non-food emergency (1 per cent) and special programmes (3 per cent). In the 1996 CG the non-debt relief component of pledged financing amounted to US$ 567 million, of which 52 per cent was allocated to investment and services, 32 per cent to import support, 10 per cent to food aid, and 6 per cent to other programmes. The declining shares of food aid and non-food emergency in total external financing, reflect the recovery experienced by the food crops sector as well as normal weather conditions.

35. During the 1996 CG meeting donors' interventions were characterized by three "leitmotifs" or central themes: need for greater government accountability (as opposed to mere statements of good intentions) and improved governance, most importantly to combat corruption; need for more rapid economic growth to reduce poverty, through boosting supply response; and need for deepening the democratization process, through in particular multi-party local elections. The World Bank has initiated the appraisal phase for a Third Economic Recovery Credit (TERM) to become effective in 1997.

36. For 1995, according to government data, total estimated aid disbursement by donors amounted to US$ 879 million, of which 16 per cent (US$ 145 million) went for emergency food aid and non-food aid. The bulk of the assistance (84 per cent or US$ 733 million) is for reconstruction and development programmes, including areas in the relief-to-development continuum such as reintegration and resettlement of demobilized soldiers; refugees, internally displaced persons; demining; commercial food aid, investments and support for the balance-of-payment programme.

INITIATIVES IN AID COORDINATION

37. Apart from CGs and ad hoc forums, the Government also promotes in-country sectoral and thematic consultations involving line ministries and leading donors in a particular sector or thematic area, in the form of government-donor working groups. This mechanism for government-donor coordination, which has functioned

with varying degrees of success in a few sectors, 1/ provides a potentially effective local forum for information exchange; joint review of issues of policy, programming, monitoring and evaluation of projects and programmes; overlapping activities; and allocation and mobilization of financial and technical cooperation resources. Within the CG process three joint monitoring mechanisms were set in late 1994: the government-donor working groups on the budget and governance, and bi-monthly government-donor meetings chaired by the Minister of Planning and Finance.

38. Coordination and cooperation within the local donor community has moved significantly forward. Donors met regularly to collaborate on issues of common interest such as emergency relief and humanitarian assistance, resettlement and infrastructure rehabilitation, demobilization and reintegration, demining, support to the electoral process, consolidation of the democratic process, and so forth. In the aftermath of the implementation of the Peace Agreement and as the country progressively makes the transition from a humanitarian assistance and resettlement footing to reconstruction and development, donors' collaborative efforts have been extended to encompass other areas of mutual concern, concentrating more on support to economic and social development strategies.

MAIN UNITED NATIONS SYSTEM INITIATIVES

39. With respect to the United Nations system, the UNDP resident representative in his capacity as resident coordinator (RC) chairs regular inter-agency meetings to examine, coordinate and make collective decisions on matters of policy, programming and management. To strengthen the role of the RC and coordination between agencies, agreement was reached in February 1995 to establish a Field-Level Committee, comprising of all resident heads of United Nations agencies, in compliance with the coordinating mechanism foreseen in General Assembly resolution 47/199 of 22 December 1992. A Country strategy note for Mozambique (CSN) was approved by the Government in August 1995. It is expected that the CSN will increase the effectiveness of agency cooperation and the impact of interventions by gradually putting into practice a concerted team approach in responding to national priorities and programmes, especially through harmonization of planning cycles and joint programming.

40. During recent years, positive steps towards greater inter-agency coordination of programming and operational activities have been taken. The members of the Joint Consultative Group on Policy (JCGP) - UNDP, UNFPA, UNICEF and WFP - have worked closely with the World Bank, other United Nations agencies and the donor community in the programming and implementation of various activities. Areas of relatively effective cooperation include: agriculture, forestry and fisheries; food security; post-war reconstruction planning; road rehabilitation, particularly with regard to feeder roads; rural water supply and basic sanitation; population policy, survey and planning; formulation of the UNICEF-sponsored National Plan of Action for Children (NPAC); primary education; health sector, including maternal and child health care, family planning, malaria control and AIDS programmes; Agenda 21 and environmental management; emergency and humanitarian assistance; capacity-building and technical

cooperation policy issues; and harmonization of terms for local recruitment contracts.

41. Finally, the role of the Office of the United Nations High Commissioner for Refugees (UNHCR) has been paramount. Notably with cooperation from WFP and the International Organization for Migration (IOM), UNHCR successfully conducted one of the largest refugee repatriation and resettlement operations on record, covering about 1.7 million returnees, mostly from Malawi, Zimbabwe, Swaziland and South Africa.

42. UNDP. The Mid-Term Review of UNDP's Fourth Country Programme held in mid-1995 confirmed the continued relevance of UNDP's emphasis on the building of national capacity to support reconstruction and development, the transition to a full market economy and decentralized State, and the consolidation of peace and democracy in Mozambique. The country programme's three original areas of concentration are: poverty alleviation and post-war rehabilitation; economic and financial management, including decentralization; and environment and natural resources management. The implementation of the peace process since the end of 1992 led UNDP to get actively involved in a fourth area: democratization and governance.

43. In cooperation with other United Nations and donor agencies, UNDP throughout 1995 pursued its management and coordination efforts targeted at multi-donor funded programmes for poverty alleviation and national reconstruction, particularly through assistance to: the formulation of a National Agriculture Development Programme (PROAGRI) with emphasis on the family-farm sector (with FAO and World Bank); the feeder-road programme (through UNCDF and with World Bank); basic education (with World Bank); a donor pooling arrangement for the health sector; basic sanitation; HIV/AIDS (with WHO); demining; and the reintegration support scheme (RSS) for demobilized soldiers.

44. Major initiatives in the economic management, public sector reform and decentralization area included the assistance to the completion of a comprehensive national Economic Management Capacity-Building Programme (EMP), adopted by the Government in mid-1995, one component of which is targeted at aid policy and coordination; the associated Programme Support Document (PSD), which also contemplates the formulation of a sustainable human development (SHD) strategy (with UNICEF); and the continued support to reconstruction and development planning at the provincial and district levels. In the area of environment and natural resource management, UNDP engaged especially in: the formulation of a PSD for the implementation of the National Environmental Management Programme, NEMP (funded by the World Bank and other donors); the introduction of a training programme under Capacity 21; and the support to the development of national policies and programmes for the water, forestry and fisheries sectors.

45. Within the democratization and governance area, UNDP assumed a prominent role in the coordination and management of the donor technical and financial support to the organization of the multi-party elections in October 1994. The principal coordination mechanism has been the Aid-For-Democracy Group (ADG) of donors, chaired by UNDP, which is the most representative and highest-level donor forum in Mozambique, regularly attended by practically all ambassadors and

heads of resident missions of donor agencies. After the general elections the ADG decided to focus on post-electoral support to democratic institution-building and good governance and requested UNDP to coordinate in particular the formulation of concerted frameworks of donor assistance to the new Parliament, police reform, organization of local elections, independent media, the judiciary, and political parties (to these through existing United Nations trust funds). During 1995 and early 1996 draft projects/programmes were developed for the Parliament, civil police and media (with UNESCO), and preparatory work has been done with respect to local elections and the judicial system. At a more operational level the ADG has currently several sub-groups, chaired also by UNDP - the Parliament and Police, Media, and Demining Donor Working Groups - and another sub-group for the Media is envisaged. A related grouping, the Government/Donor Working Group on Governance, led by UNDP on the donor side, concentrates on public sector and civil service reform, decentralization, municipalization, local elections and combating corruption. UNDP reports to the ADG plenary on the work of the sub-groups and governance working group.

46. The trend in the use of UNDP resources has been to expand the use of the programme or sector-based approach as illustrated by the cases already mentioned above: the Agriculture Development Programme (PROAGRI), in its final formulation stage; the feeder-road programme; the basic education programme; the Economic Management Programme (EMP); and the support to the National Environmental Management Programme (NEMP). Similarly, government execution of projects and programmes has increased in recent years to about 60 per cent of the total in 1995.

47. UNFPA. Aside from the activities carried out under its most important thematic areas - maternal and child care and family planning, gender issues, follow-up on the International Conference on Population and Development (ICPD), and support to the preparation of the 1997 population census - during 1995 the United Nations Population Fund (UNFPA) launched a comprehensive multi-sectoral population programme in Zambezia Province. This programme contemplates inter alia a module for coordinating development aid at the provincial level as well as training for capacity-building. Relying on a programme approach, the programme was formulated by a multi-disciplinary team in close collaboration with the provincial government and central government ministries and is executed by the provincial government, thereby enhancing both ownership and decentralization.

48. WFP. During 1995 the World Food Programme (WFP) prepared its Country Strategy Outline (CSO), which is now with its Executive Board for approval. The CSO considered the CSN closely and will be the basis for WFP to apply the programme approach in Mozambique by late 1996. Its future programming activities will be in the sectors of education, health, rehabilitation and capacity-building of the Government's response to emergency situation. Currently, WFP supports activities in education through primary school feeding programmes in vulnerable areas; the Feeder Roads Construction and Rehabilitation programmes, using food aid as incentives to labour-intensive construction brigades; a programme for Urban Basic Services implemented in the Maputo area, and Health, with support to therapeutic feeding in hospitals and to other feeding programmes being implemented by NGOs.

49. WHO. In 1995 greater attention was given by the World Health Organization (WHO) to the quality of management and systems development rather than relying on a simply supply-oriented approach to increase access to services. In particular, WHO and other donors supported the implementation of the Health Manpower Development Plan 1992-2002, prepared by the Ministry of Health. WHO programme implementation rates were quite good. In fact, most projects were able to expand their activities through the availability of additional financial resources as a result of successful fund-raising activities by the Ministry of Health. WHO collaborates with a wide range of donors and NGOs, for whom the health sector constitutes a priority of their development assistance programmes, in the rehabilitation and development of the sector as well as in the prevention and cure of the many diseases that afflict the population (including AIDS).

50. UNHCR. The UNHCR Mozambique repatriation and reintegration came to a successful end in June 1996, after supporting of more than 1.7 million refugees and the implementation of 1,575 micro-projects.

51. UNICEF. In the current 1994-1998 programme cycle, UNICEF supports health and nutrition; education; water and sanitation; community development; children in especially difficult circumstance; information and social communication; planning, monitoring and evaluation; and emergency relief assistance. These eight programmes are implemented through 30 projects with 147 activities (sub-projects). Each of the programmes are planned and implemented in close cooperation with the sectoral ministries. Implementation occurs throughout the country with Governments and NGOs as implementing partners. Expansion of the UNICEF programme accelerated particularly after elections in 1994 when remote areas became more accessible.

52. For the most part, United Nations system assistance has been for emergency food aid, the largest allocation, a small contribution towards emergency non-food items, a similarly limited allocation to investment, with the second largest part going to development activities.

Notes

1/ Operative government-donor working groups include: agriculture, education, health, import support, public investment, budget, governance and public sector reform, and "Aid-For-Democracy". The last one is essentially a donor group with occasional participation by national entities, which has focused on democratization, assistance to the electoral process and democratic institution-building.